

**EXHIBIT 2**

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
BEFORE: THE HONORABLE EUGENE F. LYNCH, JUDGE

GOVERNING COUNCIL OF PINOLEVILLE )  
INDIAN COMMUNITY, )  
PLAINTIFF, )  
-VS- ) NO. C 87-4320 EFL  
MENDOCINO COUNTY, BOARD OF )  
SUPERVISORS OF MENDOCINO COUNTY; )  
ROSS MAYFIELD, BRENT MAYFIELD, )  
DEFENDANTS. )

SAN FRANCISCO, CALIFORNIA  
FRIDAY, NOVEMBER 20, 1987

APPEARANCES:

FOR PLAINTIFF:

CALIFORNIA INDIAN  
LEGAL SERVICES  
200 W. HENRY STREET  
P.O. BOX 488  
UKIAH, CALIFORNIA 95482  
BY: DAVID J. RAPPORTE, ESQ.

FOR DEFENDANT  
MENDOCINO COUNTY AND  
BOARD OF SUPERVISORS:

H. PETER KLEIN, COUNTY COUNSEL  
COUNTY OF MENDOCINO  
COURTHOUSE, ROOM 202  
UKIAH, CALIFORNIA 95482  
BY: RICHARD M. FLORES,  
DEPUTY COUNTY COUNSEL

IN PRO PER:

ROSS MAYFIELD, JR.  
BRENT MAYFIELD  
500 C PINOLEVILLE ROAD  
UKIAH, CALIFORNIA 95482

REPORTED BY: SARA L. LARKIN, CSR, CP, CM  
OFFICIAL REPORTER, USDC

COMPUTERIZED TRANSCRIPTION BY XSCRIBE

1 FRIDAY, NOVEMBER 20, 1987

10:41 A.M.

3 THE COURT: PINOLEVILLE INDIANS VERSUS MENDOCINO  
4 COUNTY.

5 THE CLERK: CIVIL CASE 87-4320.

6 MR. RAPPORt: DAVID RAPPORt FOR THE PLAINTIFF.

7 THE COURT: OKAY.

8 MR. FLORES: GOOD MORNING, YOUR HONOR. RICHARD  
9 FLORES FOR THE COUNTY OF MENDOCINO.

10 MR. BRENT MAYFIELD: BRENT AND ROSS MAYFIELD. WE  
11 ARE REPRESENTING OURSELVES

12 THE COURT: RIGHT, OKAY. LET ME JUST GET SOME  
13 NOTES TO READ HERE. I HAVE TWO CASES ON THE CALENDAR THAT  
14 ARE GOING TO BE BY PHONE, SO I'M TRYING TO FIT THEM ALL IN  
15 HERE.

16 (PAUSE IN PROCEEDINGS)

17 THE COURT: ALL RIGHT. THE INDIANS, ALL RIGHT.

18                   OKAY. WELL, IT SEEMS WE HAVE FEDERAL JURISDICTION.  
19                   IT'S A FEDERAL QUESTION UNDER 1331. INTERESTING THOUGH, AND  
20                   I PLAN TO WRITE AN OPINION ABOUT THIS, BUT IT STRIKES ME  
21                   THAT INJUNCTION PROBABLY SHOULD BE GRANTED.

22 MR. FLORES: THIS WOULD BE A PRELIMINARY  
23 INJUNCTION, YOUR HONOR?

24 THE COURT: WELL, IT WOULD BE A PRELIMINARY  
25 INJUNCTION AND WOULD SET IT FOR TRIAL. YEAH.

1 MR. FLORES: WHAT ABOUT BOND?

2 THE COURT: WHAT TYPE OF BOND DO YOU THINK YOU'RE  
3 GOING TO WANT THAT YOU CAN PAY?

4 MR. RAPPORT: WELL, YOUR HONOR, WE COMMUNICATED IN  
5 OUR PLEADINGS THEY FILED THIS CASE IN FORMA PAUPERIS.

6 THE COURT: THAT DOESN'T MEAN YOU COULDN'T DRAW UP  
7 SOME SORT OF A BOND IT SEEMS TO ME.

8 MR. RAPPORT: AS INDICATED IN THE PETITION THEY  
9 FILED, THEY REALLY HAVE NO DISCRETIONARY FUNDS THAT ARE  
10 AVAILABLE THAT THEY CAN COMMIT TO THAT.

11 THE SOLE SOURCE OF FUNDS ARE FEDERAL GRANTS THAT  
12 ARE DESIGNATED FOR SPECIFIC PURPOSES, AND THEY HAVE NO MONEY  
13 AVAILABLE THAT THEY COULD USE TO POST BOND. I THINK THAT  
14 WAS THE BASIS FOR GRANTING THE IEP PETITION IN THE FIRST  
15 PLACE.

16 THE COURT: WHAT TYPE OF A BOND DO YOU THINK IT  
17 SHOULD BE?

18 MR. RAPPORT: EXCUSE ME, YOUR HONOR.

19 I ALSO WANTED TO POINT OUT THAT THE ONLY -- THAT  
20 THE BOND WOULD SECURE ANY DAMAGES WHICH RESULTED UNTIL FINAL  
21 JUDGMENT. THAT'S WHAT THE BOND IS SUPPOSED TO SECURE.

22 AND THE ONLY DAMAGES THAT HAVE BEEN ALLEGED ARE THE  
23 LOSS OF INCOME FROM OPERATING THIS CEMENT PLANT. AND AS WE  
24 POINTED OUT, THEY WENT INTO THAT BUSINESS AFTER THE  
25 ORDINANCE WAS ADOPTED AND AFTER THE TRIBE HAD APPEALED THE

1 DECISION TO THE BOARD OF SUPERVISORS.

2 AND UNDER STATE LAW, IF THE TRIBE CAN FILE A  
3 LAWSUIT WITHIN 30 DAYS -- AND THE STATE LAW SAYS IF THEY  
4 PROCEED AT THAT POINT, THEY DO THEIR OWN RISK.

5 SO BASICALLY THEY UNDERTOOK ANY FINANCIAL LOSSES AT  
6 THIS POINT AT THEIR OWN RISK, AND I DON'T THINK A BOND WOULD  
7 BE JUSTIFIED, IN ANY EVENT.

8 THE COURT: HOW DO THEY GET DAMAGES IF YOU'RE WRONG  
9 OR I'M WRONG? HOW WILL THEY GET THEIR DAMAGES? HOW WOULD  
10 THEY GET THEIR DAMAGES FOR THE LOST INCOME FOR RUNNING THIS  
11 CEMENT PLANT?

12 MR. RAPPORT: WELL, IF THEY CAN SUE THE TRIBE, THEY  
13 WOULD HAVE TO SUE THE TRIBE.

14 THE COURT: WHY COULDN'T THEY SUE THE TRIBE -- IF  
15 I'M GOING TO GRANT A PRELIMINARY INJUNCTION HERE -- AND IT  
16 TAKES SOME PERIOD OF TIME TO ACTUALLY GET A TRIAL ON IT, SIX  
17 MONTHS OR SO -- IF THEY CAN'T OPERATE THE CEMENT PLANT  
18 DURING THAT TIME AND WE FIND OUT WE SHOULDN'T HAVE GRANTED  
19 THE PRELIMINARY INJUNCTION, AND THEY'RE SUCCESSFUL, HOW DO  
20 THEY THEN GET THEIR COSTS BACK AGAINST THE INDIANS FROM THIS  
21 LAWSUIT?

22 MR. RAPPORT: FIRST OF ALL, I'M NOT SURE THEY WOULD  
23 BE ENTITLED TO THAT COST AGAINST THE TRIBE UNDER THE  
24 CIRCUMSTANCES, YOUR HONOR.

25 AS I POINTED OUT, UNDER STATE LAW, IF THE TRIBE HAD

1 BROUGHT THE STRAIGHT CEQA ACTION, DURING THE TIME THAT THE  
2 ACTION WAS PENDING, THEY'D BE PROCEEDING AT THEIR OWN RISK.

3 SO IF IT WAS LATER DETERMINED THAT AN EIR WAS  
4 REQUIRED, THEY WOULDN'T HAVE BEEN ENJOINED FROM OPERATING  
5 DURING THAT TIME, BUT ANY COSTS THEY INCURRED WOULD BE AT  
6 THEIR RISK. THEY WOULDN'T HAVE ANY INVESTED RIGHT TO  
7 CONTINUE OPERATIONS OR ANYTHING ELSE.

8 MR. FLORES: YOUR HONOR, THE CEQA MATTER IS  
9 PROCEDURES AS SUCH THAT THEY DO PROCEED AT THEIR OWN RISK,  
10 BUT THEY CAN PROCEED RIGHT HERE.

11 WE HAVE AN INSTANCE WHERE PRELIMINARY INJUNCTION  
12 HAS BEEN REQUESTED, AND THEY CAN'T, NOT EVEN AT THEIR OWN  
13 RISK -- RISK OF CONTEMPT OF COURT. SO I THINK A BOND SHOULD  
14 BE REQUIRED.

15 AND THE MAYFIELDS WOULD BE ABLE TO ADDRESS IN TERMS  
16 OF WHAT FORM OF THE BOND...

17 (PAUSE IN PROCEEDINGS)

18 THE COURT: WHAT EVIDENCE HAVE YOU FILED THAT THEY  
19 HAD NOT GONE AHEAD AND DONE ANYTHING AND THEN PROCEEDED TO A  
20 HEAD AFTER YOU FILED YOUR SUIT?

21 MR. RAPPORT: I'M RELYING ON THE DECLARATIONS THAT  
22 THEY SUBMITTED, YOUR HONOR.

23 THE DECLARATION -- APPARENTLY THE SITUATION IS  
24 THEY'VE LEASED -- THEY'VE GOT A LEASE WITH A CEMENT COMPANY  
25 TO OPERATE THE CEMENT PLANT. ACCORDING TO THE DECLARATION

1 OF THE VICE-PRESIDENT OF THE CEMENT COMPANY, THEY WAITED  
2 UNTIL AFTER THEY GOT THEIR DEVELOPMENT REVIEW PERMIT FROM  
3 THE COUNT BEFORE THEY MOVED EQUIPMENT ON TO THE SITE AND  
4 BEGAN OPERATIONS.

5 THE COURT: THE BUILDING IS ALREADY THERE, RIGHT?

6 MR. FLORES: YES.

7 MR. RAPPORT: RIGHT, BUT IT WAS APPARENTLY MOVED  
8 THERE AFTER THEY GOT THEIR DEVELOPMENT REVIEW PERMIT.

9 BY THAT TIME, OBVIOUSLY THE ORDINANCE WAS IN PLACE  
10 AND THE TRIBE'S OPPOSITION TO THE PROJECT, AS WAS WELL  
11 MANIFESTED THROUGH THE APPEAL PROCESS. SO THEY KNEW GOING  
12 IN THAT THE GOVERNING COUNSEL WAS OPPOSED TO THIS PROJECT,  
13 AND THEY KNEW THAT THE GOVERNING COUNSEL WAS PURSUING ALL  
14 THEIR REMEDIES.

15 SO IF THEY ARE NOW GOING TO INCUR COSTS FROM HAVING  
16 GONE AHEAD WITH THE PROJECT KNOWING THAT, THE TRIBE'S  
17 POSITION IS THAT THEY HAVE ASSUMED THE RISK OF THAT AT THIS  
18 POINT. IT'S NOT FAIR TO REQUIRE THE TRIBE TO POST A BOND TO  
19 SECURE THEM AGAINST DAMAGES WHICH THEY UNDERTOOK KNOWING  
20 THAT THEY WERE GOING TO BE IN THIS POSITION TO BEGIN WITH.

21 THE COURT: DID THEY GO AHEAD ONLY AFTER THEY KNEW  
22 THE TRIBE WAS SUING?

23 MR. FLORES: WELL --

24 MR. BRENT MAYFIELD: WE ENTERED INTO A CONTRACT  
25 WITH --

1 THE COURT: YOU REPRESENT YOURSELF?

2 MR. BRENT MAYFIELD: YES.

3 THE COURT: YOU'RE NOT A CORPORATION?

4 MR. ROSS MAYFIELD: WE ARE A CORPORATION.

5 MR. BRENT MAYFIELD: WE WERE SUED AS INDIVIDUALS.

6 THE COURT: IS THAT RIGHT; THEY WERE ONLY SUED AS  
7 INDIVIDUALS?

8 MR. RAPPORT: THEY WERE SUED AS INDIVIDUALS, YOUR  
9 HONOR.

10 MR. BRENT MAYFIELD: THE CONCRETE PLANT -- WE  
11 ENTERED INTO A CONTRACT WITH THEM ON APRIL 1ST, AND THE  
12 ORDINANCE I BELIEVE DIDN'T COME INTO EFFECT UNTIL MAY 22ND.

13 THE CONCRETE PLANT -- ACTUALLY WE HAD TWO OF THEM  
14 THERE, AND THE FIRST ONE WAS THERE PRIOR TO OUR CONTRACT  
15 DATE, AND --

16 THE COURT: CAN I JUST BACK UP?

17 YOU KNEW, HOWEVER, THAT YOU WERE ON -- YOU KNEW,  
18 HOWEVER, THAT THE RANCHERIA BUSINESS WAS OVER WITH AND THAT  
19 THE INDIANS THAT NOW WERE THE -- YOU WERE ESSENTIALLY ON  
20 INDIAN LAND, RIGHT?

21 MR. BRENT MAYFIELD: NO.

22 MR. ROSS MAYFIELD: NO.

23 MR. BRENT MAYFIELD: WE WEREN'T AWARE OF THE  
24 JURISDICTION PROBLEM UNTIL WE WERE -- AT SOME POINT IN  
25 THE --

1                   THE COURT: BUT A LOT OF TIME HAD PASSED. YOU  
2 SHOULD HAVE BEEN AWARE.

3                   I MEAN I'M NOT SAYING WHETHER YOU ACTUALLY KNEW OR  
4 NOT. SOME COUPLE YEARS HAD PASSED, RIGHT?

5                   MR. BRENT MAYFIELD: IT NEVER SHOWED UP ON OUR  
6 TITLE REPORTS.

7                   WE HAD NO INCLINATION THAT THERE WAS ANY  
8 JURISDICTION PROBLEM OR THAT THERE WAS A RESERVATION THAT  
9 WAS STILL ACTIFIED (SIC) UNTIL WE WENT BEFORE THE  
10 SUPERVISORS OR JUST LIKE A MONTH BEFORE THAT.

11                  THE COURT: WHAT DO YOU SAY THE ISSUES FOR TRIAL  
12 WOULD BE THEN?

13                  MR. FLORES: WELL, THE ISSUES FOR TRIAL WOULD BE,  
14 ONE, THE INTERPRETATION OF THE HARDWICK CASE AS TO WHETHER  
15 OR NOT THE COUNTY OR THE TRIBAL COUNCIL HAS AUTHORITY TO  
16 REGULATE THIRD PARTY PURCHASERS WITHIN THE RANCH --

17                  THE COURT: I THINK THEY HAVE A RIGHT TO DO IT --  
18 IT'S A BALANCING TEST DEPENDING ON THE FACTS, RIGHT?

19                  IS THAT RIGHT?

20                  MR. FLORES: I DON'T THINK WE GET TO THAT BECAUSE  
21 OF THE HARDWICK CASE.

22                  THE CASES THAT ARE DISCUSSED AT LENGTH IN THE  
23 BRIEFS, NONE OF THEM HAVE A CASE WHERE THERE WAS ACTUALLY A  
24 JUDGMENT INVOLVING TWO OF THE PARTIES, THE COUNTY OF  
25 MENDOCINO AND THE PINOLEVILLE RANCHERIA.

1 AND THE HARDWICK CASE IS SPECIFIC REGARDING WHAT  
2 THE INDIANS' RIGHTS ARE AND WHAT THE COUNTY'S RIGHTS ARE,  
3 AND WHAT THE THIRD PARTY PURCHASERS' RIGHTS ARE.

4 AND THAT IS THAT ANY ACTIONS CAN BE TAKEN BY THE  
5 COURT TO THE EXTENT THAT THEY CANNOT ADVERSELY --

6 THE COURT: ONE OF THE FIRST ISSUES HERE UNDER THE  
7 MONTANA CASE, THE SUPREME COURT CASE, IS THE ACTIONS OF  
8 INDIANS ARE LIMITED OVER NON-INDIAN MEMBERS, RIGHT?

9 MR. RAPPORT: THAT'S RIGHT, YOUR HONOR.

10 THE COURT: AND IT'S A BALANCING TEST TO DETERMINE  
11 THAT FACT ESSENTIALLY.

12 MR. RAPPORT: THAT'S CORRECT, YOUR HONOR.

13 THE COURT: I VISUALIZE A TRIAL ON THE BALANCING  
14 TEST TO DETERMINE WHETHER A PERMANENT INJUNCTION SHOULD BE  
15 GRANTED OR NOT.

16 WHAT DO YOU VISUALIZE AT TRIAL?

17 MR. FLORES: WELL, I VISUALIZE THAT AS THE TEST IF  
18 THE FIRST ISSUE IS ADDRESSED AND RESOLVED.

19 AND I BELIEVE AN ISSUE IS IN FACT THE  
20 INTERPRETATION OF THE HARDWICK DECISION INVOLVING THE  
21 RANCHERIA AND THE COUNTY OF MENDOCINO IN TERMS OF THE  
22 JURISDICTION TO ZONE AND REGULATE.

23 IT'S NOT CLEAR BY THE JUDGMENT WHO HAS THE ABILITY  
24 TO ZONE AND REGULATE. IT INDICATES THAT AS TO THIRD PARTY  
25 PURCHASERS, THEIR INTERESTS WILL NOT BE ADVERSELY AFFECTED.

1           THE COURT: HOLD ON A SECOND.

2           ISN'T IT UNDER THE NINTH CIRCUIT LAW, THE MONTANA  
3           LAW, THE INDIANS HAVE TO DEMONSTRATE WHEN THEY'RE TRYING TO  
4           EXERCISE ZONING OVER NON-INDIAN MEMBERS, SUCH THING THAT  
5           THEY'RE DOING IT BECAUSE OF POLITICAL INTEGRITY, ECONOMIC  
6           SECURITY AND THE HEALTH AND WELFARE OF THE INDIANS?

7           I ASSUME WHAT THE PLAINTIFFS ARE ARGUING HERE IS  
8           THEY HAVE A RIGHT TO ZONE THE CONDUCT OF NON- -- THEY HAVE A  
9           RIGHT OVER THE TERRITORY WHICH INCLUDES AUTHORITY OVER  
10          NON-INDIANS PRIMARILY BECAUSE OF THE HEALTH AND WELFARE OF  
11          THE INDIANS.

12          AND THE NINTH CIRCUIT GOES TO THE ANALYSIS: WHAT  
13          IS THE INTEREST OF THE INDIAN IN ZONING THE PROPERTY?

14          MY UNDERSTANDING IS TO MAKE IT NON-INDUSTRIAL.  
15          THEY WANT TO HAVE AN AGRICULTURALLY PURE HOMELAND FOR ITS  
16          PEOPLE. AND THEY CONTEND THAT A CEMENT FACTORY AFFECTS A  
17          VARIETY OF THINGS ON THE HEALTH AND WELFARE OF THE INDIANS  
18          ON THEIR ADJOINING -- ON THEIR LAND THERE, THAT THAT WOULD  
19          INTERFERE WITH THEIR RIGHT TO HAVE AN AGRICULTURALLY PURE  
20          HOMELAND FOR THEIR PEOPLE.

21          THERE'S STEELHEAD FISH ON THE RIVER. THERE'S A  
22          TREMENDOUS DUST FROM A CEMENT FACTORY; THERE'S NOISE AND  
23          TRAFFIC AND HEAVY TRUCKS. CEMENT FACTORIES BECOME BLIGHTED  
24          AREAS AND BLIGHT AFFECTS THE LANDS AROUND BECAUSE OF THE  
25          DUST AND THE NOISE, ET CETERA, ALL OF WHICH INTERFERES WITH

1           THE HEALTH AND WELFARE OF THE INDIANS, RELAYING THE FISHING  
2           RIGHTS AND USING THE LAND AS AN AGRICULTURAL PURE AREA.

3           AND SO IT STRIKES ME THAT THESE ARE THE ISSUES FOR  
4           THE TRIAL.

5           BUT ONCE THEY HAVE A RIGHT TO ZONE IT EVEN THOUGH  
6           THE ZONING AFFECTS NON-INDIANS, THEN WHAT ISSUE IS LEFT?

7           MR. FLORES: WELL, YOUR HONOR, I THINK THAT BEFORE  
8           YOU GET TO THAT ISSUE -- BECAUSE WE DON'T HAVE A CASE WHERE  
9           YOU SIMPLY HAVE A RANCHERIA OUT THERE THAT'S BEEN DETERMINED  
10          RANCHERIA LAND AND THERE'S NO AGREEMENT BETWEEN THAT  
11          RANCHERIA AND AN ENTITY, A PUBLIC ENTITY -- IN THIS CASE THE  
12          COUNTY OF MENDOCINO, AND THE UNITED STATES GOVERNMENT, FOR  
13          THAT MATTER -- REGARDING CERTAIN RIGHTS, ONE OF THEM BEING  
14          THE RIGHT FOR THE COUNTY OF MENDOCINO TO TAX PROPERTY OUT  
15          THERE, ANOTHER RIGHT BEING THAT AFTER JANUARY 1, 1988, THEY  
16          COULD EVEN TAX INDIAN PROPERTY THAT HASN'T BEEN PUT INTO  
17          TRUSTS, AND ALSO THERE'S A RIGHT REGARDING THIRD PARTY  
18          PURCHASERS OF PROPERTY ON THE RANCHERIA PRIOR TO THE  
19          JUDGMENT.

20          THE MAYFIELDS RECEIVE THEIR PROPERTY FROM A THIRD  
21          PARTY PURCHASER WHO PURCHASED THE PROPERTY AT A TIME HE  
22          BELIEVED THE RANCHERIA WAS TERMINATED --

23          THE COURT: IT'S NOT WHAT THEY KNEW; IT'S WHETHER  
24          THEY SHOULD HAVE KNOWN. AT THE TIME THEY EXERCISED THE  
25          OPTION -- THEY HAD AN OPTION; ISN'T THAT CORRECT?

1 MR. ROSS MAYFIELD: THAT'S CORRECT.

2 THE COURT: AT THE TIME THEY EXERCISED THEIR  
3 OPTION, A SUBSTANTIAL PERIOD OF TIME HAD PASSED SINCE THE  
4 PROPERTY HAD CEASED TO BE A RANCHERIA AREA; ISN'T THAT  
5 RIGHT? IT WAS A PERIOD OF MONTHS.

6 MR. RAPPORT: IT WAS OVER A YEAR, YOUR HONOR.

7 THE COURT: ISN'T THAT RIGHT?

8 MR. RAPPORT: IN FACT, MORE THAN A YEAR IN ADVANCE,  
9 NOTICE OF THE PROPOSED SETTLEMENT, WHICH INCLUDED THIS  
10 JURISDICTIONAL -- NOTICE IN THE CHANGE OF JURISDICTION WAS  
11 PUBLISHED THREE TIMES IN THE LOCAL NEWSPAPER.

12 THE COURT: BUT IN ANY EVENT, THE INDIANS POSSESS  
13 INHERENT SOVEREIGN POWER OVER THEIR TERRITORY, WHICH  
14 INCLUDES AUTHORITY OVER NON-INDIANS.

15 AND THEN WE HAVE TO DETERMINE WHAT AUTHORITY THEY  
16 HAVE TO GOVERNING THEIR LAND WHEN IT AFFECTS NON-INDIAN  
17 MEMBERS.

18 MR. FLORES: I AGREE, YOUR HONOR.

19 BUT THEN WE GET TO THE ISSUE -- THAT'S A CASE WHERE  
20 THERE'S NO AGREEMENTS -- TO JUDGMENTS THAT WERE AGREED UPON  
21 BETWEEN THE PARTIES REGARDING WHAT AUTHORITY.

22 I BELIEVE THE HARDWICK CASE INDICATES AND  
23 DELINEATES WHAT THE AUTHORITY IS. AND I BELIEVE THE  
24 HARDWICK CASE, INTERPRETED PROPERLY, INDICATES THAT THEY DO  
25 NOT HAVE AUTHORITY OVER NON-INDIAN --

THE COURT: LET ME TAKE ABOUT A TWO-MINUTE RECESS.

2 (RECESS TAKEN AT 10:55 A.M.)

3 (PROCEEDINGS RESUMED AT 11:04 A.M.)

4 THE COURT: LET ME JUST GET BACK TO THE HEART OF  
5 THE CASE FOR A MINUTE.

6 THE HARDWICK CASE SAID THE STATE WAS WRONG, AND IT  
7 RETURNED IT TO A RESERVATION, RIGHT?

8 MR. RAPPORT: RIGHT.

9 MR. FLORES: YES.

10 THE COURT: SO AS A MATTER OF LAW, THAT MADE IT A  
11 RESERVATION WHICH GAVE THE INDIAN SOVEREIGN RIGHTS OVER  
12 THEIR TERRITORIES. CORRECT?

13 MR. FLORES: WELL, THERE'S AN INTERPRETATION THAT  
14 MUST BE MADE REGARDING ONE OF THE PARAGRAPHS --

THE COURT: WHICH PARAGRAPH ARE YOU TALKING ABOUT?

BEFORE YOU STATE THE PARAGRAPH. DON'T YOU AGREE?

17 THAT THE HARDWICK CASE ESSENTIALLY IS A JUDGMENT RESTORING  
18 TO THE INDIANS ALL THEIR RESERVATION RIGHTS OVER THAT LAND?

19 MR. FLORES: ESSENTIALLY, YES.

THE COURT: OKAY. WE AGREE ON THAT THEN. OKAY.

21 SO NOW WE HAVE A LAND THAT'S A RESERVATION IN WHICH  
22 WE HAVE THE INDIANS HAVE SOVEREIGN RIGHTS OVER. SO THE ONLY  
23 ISSUE IS THAT THEY HAVE A RIGHT TO AFFECT NONMEMBERS. AND  
24 YOU GO THROUGH A BALANCING TEST.

AND MY ANSWER WOULD BE CLEARLY YES. YES. THEY HAVE

1 A RIGHT UNDER THE BALANCING TEST.

2 MR. FLORES: YOUR HONOR, THE PARAGRAPH -- IT'S  
3 EXHIBIT I, PAGE 22, TO THE VERIFIED COMPLAINT, AND --

4 MR. RAPPORT: IT'S QUOTED IN THE BRIEFS ALSO, YOUR  
5 HONOR.

6 MR. FLORES: PAGE 2, YOUR HONOR, OF MY BRIEF,  
7 POINTS AND AUTHORITIES IN OPPOSITION. IF I MAY READ IT?

8 THE COURT: GO AHEAD.

9 MR. FLORES: "AS A CONSEQUENCE, THIS COURT HAS  
10 AUTHORITY AS A COURT OF EQUITY TO REMEDY THE  
11 EFFECTS OF THE PREMATURE AND UNLAWFUL  
12 TERMINATION OF THE PINOLEVILLE AND REDWOOD VALLEY  
13 RANCHERIAS AND THE PLAINTIFFS TO THE EXTENT THAT IT  
14 CAN DO SO WITHOUT ADVERSELY AFFECTING THE INTEREST  
15 OF THIRD PARTY PURCHASERS FOR VALUE OF RANCHERIA  
16 PARCELS."

17 THE COURT: SO YOU ARE SAYING THAT IS NOW  
18 RESERVATION LAND, AND ONE OF THE THINGS THAT I HAVE TO  
19 CONSIDER IN DETERMINING WHETHER THE INDIANS HAVE RIGHTS TO  
20 AFFECT NON-MEMBERS OF THE INDIAN TRIBE, ONE OF THE THINGS I  
21 HAVE TO LOOK AT IS HOW PREJUDICIAL IT WOULD BE TO THE RIGHTS  
22 OF YOUR PARTIES, RIGHT?

23 MR. FLORES: YES.

24 THE COURT: OKAY. THEN I HAVE TO DECIDE EXACTLY  
25 WHAT -- IT ISN'T A QUESTION OF THEM KNOWING THEMSELVES. OR

1 IT'S A QUESTION OF WHAT THEY SHOULD HAVE KNOWN; AND  
2 THEREFORE I HAVE TO LOOK AT TWO THINGS.

3 WHAT PROPERTY RIGHTS DID THEY HAVE AT THE TIME THIS  
4 JUDGMENT WAS SIGNED? AND AS I UNDERSTAND, THEY HAD NOTHING  
5 MORE THAN AN OPTION, RIGHT?

6 MR. FLORES: YES, YOUR HONOR.

7 I BELIEVE THEY ARE SUCCESSORS IN INTEREST --

8 THE COURT: ALL THEY HAVE IS AN OPTION TO PURCHASE  
9 PROPERTY; ISN'T THAT RIGHT?

10 MR. FLORES: THAT'S CORRECT, YOUR HONOR.

11 THE COURT: AS OF NOVEMBER 18, 1985, CORRECT?

12 MR. FLORES: PRIOR TO, YES.

13 THE COURT: AND THEY EXERCISE THE OPTION AFTER THIS  
14 JUDGMENT CAME OUT.

15 MR. FLORES: THAT'S CORRECT.

16 THE COURT: OKAY. SO THEY HAD VERY LITTLE PROPERTY  
17 RIGHTS.

18 HOW MUCH DID THEY PAY FOR THE OPTION, A THOUSAND  
19 DOLLARS, 500?

20 MR. BRENT MAYFIELD: THE OPTION WAS IN OUR ORIGINAL  
21 LEASE. THERE WAS NO VALUE ON IT.

22 THE COURT: YOU HAD A LEASE WITH AN OPTION TO  
23 PURCHASE.

24 MR. BRENT MAYFIELD: YES.

25 THE COURT: OKAY. AND YOU DIDN'T HAVE TO EXERCISE

1 THE OPTION TO PURCHASE, RIGHT?

2 MR. BRENT MAYFIELD: IT WAS OUR INTENTIONS ALL  
3 ALONG TO EXERCISE --

4 THE COURT: BUT HE DIDN'T HAVE MUCH PROPERTY RIGHTS  
5 IN LOOKING AT THE -- IN LOOKING AT THE EQUITY, ALL THEY WERE  
6 WERE LEASEHOLDERS WITH THE POWER TO EXERCISE AN OPTION TO  
7 PURCHASE.

8 AND THEY EXERCISED THEIR OPTION TO PURCHASE IN THE  
9 FACE OF THE FACT THAT THE LAND WAS NOW BACK TO BEING INDIAN  
10 RESERVATION TERRITORY, AND IN FACT BACK TO BEING RESERVATION  
11 TERRITORY FOR OVER A YEAR, AS I BELIEVE; IS THAT CORRECT?

12 MR. RAPPORT: FROM NOVEMBER OF '85 UNTIL OCTOBER OF  
13 '86.

14 THE COURT: ALMOST A YEAR.

15 MR. RAPPORT: YES.

16 MR. FLORES: AND THERE WAS NEVER ANY QUESTION, UP  
17 TO THE TIME OF THIS MORATORIUM ATTEMPT, THIS ORDINANCE, THIS  
18 LAST YEAR REGARDING WHO HAD THE AUTHORITY TO REGULATE THE  
19 PROPERTY OUT THERE IN TERMS OF ZONING.

20 AND THAT WAS EVEN PRIOR TO THE PART --

21 THE COURT: YOU'RE MISSING THE POINT.

22 AFTER NOVEMBER 18TH, 1985, IT WAS RESERVATION LAND,  
23 CORRECT?

24 MR. FLORES: IT WAS RESERVATION LAND WITH THE  
25 PROVISIONS OF THE JUDGMENT, THE HARDWICK JUDGMENT.

1 THE COURT: IT WAS RESERVATION LAND.

2 YOU JUST TOLD ME THAT ONE OF THE THINGS I HAD TO  
3 CONSIDER IS HOW IT WOULD AFFECT PEOPLE WHO HAD A PROPERTY  
4 INTEREST IN THE LAND, CORRECT?

5 MR. FLORES: YES.

6 THE COURT: THEIR PROPERTY INTEREST WAS EXCEEDINGLY  
7 MINIMAL.

8 THEY DIDN'T OWN THE LAND. THEY HAD NOTHING MORE  
9 THAN A LEASE AND AN OPTION TO PURCHASE, RIGHT?

10 MR. BRENT MAYFIELD: YOUR HONOR, WHEN WE FIRST CAME  
11 ON THE PROPERTY, IT HADN'T BEEN SUBDIVIDED, AND WE HELPED  
12 DIVIDE AND DO THE IMPROVEMENTS THAT WERE NECESSARY TO  
13 COMPLETE THE SUBDIVISION. WE HAD A SUBSTANTIAL INTEREST IN  
14 IT ALL ALONG.

15 OUR ORIGINAL LEASE WAS MODIFIED FROM 1982 INTO A  
16 LATER DATE SOMETIME IN '85, WHICH I'M NOT FAMILIAR --

17 THE COURT: BUT IN FACT YOU DIDN'T HAVE TO EXERCISE  
18 YOUR RIGHT TO PURCHASE. IF YOU DIDN'T PURCHASE, WHAT WOULD  
19 YOU HAVE LOST?

20 MR. ROSS MAYFIELD: WE WOULD HAVE LOST THE AMOUNT  
21 OF MONEY THAT WE DID OUT OF ALL THE IMPROVEMENTS AND  
22 EVERYTHING.

23 THE COURT: HOW MUCH?

24 MR. ROSS MAYFIELD: ABOUT \$50,000.

25 THE COURT: THEN THE ONLY THING I HAVE TO CONSIDER

1       HERE IS, AT BEST, AT BEST -- I CAN'T CONSIDER THEM AS OWNERS  
2       OF THE PROPERTY. I CONSIDER THEM, AT BEST, PEOPLE WHO PUT  
3       IN IMPROVEMENTS OF LAND EXPECTING TO EXERCISE AN OPTION TO  
4       PURCHASE.

5           AND I HAVE TO CONSIDER HOW WISE IT WAS FOR A  
6       LEASEHOLDER, WHO HAS AN OPTION TO PURCHASE, TO PUT IN  
7       IMPROVEMENTS OF LAND WITHOUT HAVING ALREADY EXERCISED HIS  
8       OPTION.

9           SO HOW HIGH THEIR EQUITY FALLS ON THIS SCALE IS  
10      NOT -- THAT MAY BE VERY HIGH.

11          AND THE OPTION RAN ONLY TO THE TWO OF THE SIX AND A  
12       HALF ACRES, AND THE OTHER LAND WAS PURCHASED AFTERWARDS.

13          MR. BRENT MAYFIELD: WE HAD A VERBAL COMMITMENT  
14       BETWEEN US AND THE PEOPLE WE BOUGHT IT FROM, THE JOHNSONS.  
15       WE COULDN'T PURCHASE THE PROPERTY UNTIL THE SPLIT HAD  
16       ACTUALLY GONE THROUGH.

17          THE COURT: I'M JUST SAYING IT STRIKES ME THAT  
18       THEIR PROPERTY RIGHTS WERE MINIMAL. BUT AT BEST THAT'S JUST  
19       ONE THING I HAVE TO CONSIDER.

20          BUT I SUGGEST THAT THEY GIVE US SOME VERY -- I  
21       DON'T HAVE ANY DETAILS ABOUT WHAT THEIR RIGHTS ARE,  
22       AFFIDAVITS FROM THEM OR ANYTHING ELSE, YOU KNOW? YOU'RE  
23       REPRESENTING THE COUNTY, NOT REPRESENTING THEM.

24          MR. FLORES: THAT'S CORRECT, YOUR HONOR.

25          THE COURT: SO AS FAR AS THE COUNTY GOES, THE

1 COUNTY CERTAINLY KNEW IT WAS RESERVATION LAND.

2 MR. FLORES: WITH THE PROVISIONS OF THE JUDGMENT,  
3 INDICATING -- AND TO THE COUNTY'S WAY OF THINKING, THAT THEY  
4 WERE ENTITLED TO REGULATE THE PROPERTY AND DID SO PRIOR TO  
5 THE JUDGMENT AFTER THE JUDGMENT, AND DO TODAY.

6 THE COURT: WHAT DOES THAT MEAN?

7 YOU DON'T HAVE ANY RIGHTS TO REGULATE ANYTHING  
8 THAT'S ON THE LAND, RIGHT?

9 MR. FLORES: WE BELIEVE THAT THE HARDWICK JUDGMENT  
10 ALLOWS US TO REGULATE NON-INDIAN OWNED LAND IN RANCHERIA --

11 THE COURT: WHERE DOES IT SAY THAT AFTER THE  
12 HARDWICK JUDGMENT, THE COUNTY WOULD HAVE ANY RIGHTS ON THE  
13 RESERVATION?

14 MR. FLORES: I'M SORRY, YOUR HONOR?

15 THE COURT: WHERE DOES IT SAY --

16 MR. FLORES: SPECIFICALLY REGARDING ZONING?

17 THE COURT: SPECIFICALLY REGARDING THE RIGHTS OF  
18 THE COUNTY ON THE INDIANS' RESERVATION AFTER IT RETURNED TO  
19 BEING A RESERVATION.

20 MR. FLORES: WELL, WE HAVE THE SECTION ON TAXES,  
21 AND THAT WAS SPECIFIC -- BECAUSE THAT WAS DISPUTED --

22 THE COURT: WHAT ELSE OTHER THAN TAXES?

23 MR. FLORES: AND ABLE TO REGULATE IT IN TERMS OF  
24 THE THIRD PARTY PURCHASERS OR VALUE, YOUR HONOR.

25 THE COURT: THEY WEREN'T THIRD PARTY PURCHASERS TO

1           VALUE --

2           MR. FLORES: TO A PERSON THAT HAD ANY PROPERTY --

3           THE COURT: NONSENSE. THEY PURCHASED THE PROPERTY  
4           AFTERWARDS.

5           BUT I SUGGEST WE HAVE SOME AFFIDAVITS AS TO WHAT  
6           THEY DID, AND I NEED SOME LAW FROM YOU AS TO WHY YOU DON'T  
7           HAVE TO POST A BOND.

8           MR. RAPPORT: I PUT SOME LAW IN OUR POINTS AND  
9           AUTHORITIES, YOUR HONOR.

10          THE COURT: WOULD YOU DO THAT FOR ME?

11          FURTHERMORE, I VISUALIZE A TRIAL NOT AS -- THE  
12          HARDWICK CASE IT SEEMS TO ME PUTS THIS CASE BACK TO BEING  
13          RESERVATION LAND, AND YOU AGREE.

14          MR. FLORES: WELL --

15          THE COURT: AND AS A MATTER OF LAW, IT IS  
16          RESERVATION LAND, AND THEREFORE ALL I HAVE TO CONSIDER  
17          REALLY AT A TRIAL IS WHAT, UNDER THE BALANCING ACT, WHAT  
18          RIGHTS DO THE INDIANS HAVE TO REGULATE NON-MEMBER LAND  
19          WITHIN THE RESERVATION.

20          MR. FLORES: NOW, SEE, YOUR HONOR, IF I MAY JUST  
21          INDICATE SOMETHING, THE COUNTY -- THE COUNTY IS REGULATING  
22          RIGHT NOW -- AND THE PRELIMINARY INJUNCTION COMES IN, WE  
23          WON'T, OF COURSE, IN TERMS OF ANY USES OUT THERE -- BUT  
24          THERE ARE A LOT OF INDIVIDUALS OUT THERE WHO PURCHASED  
25          PROPERTY PRIOR TO THE INITIATION OF THE HARDWICK CASE.

1           THE COURT: I CAN ONLY TAKE IT ONE INDIVIDUAL AT A  
2 TIME.

3           MR. FLORES: I'M JUST INDICATING THERE IS A BROAD  
4 PICTURE HERE, YOUR HONOR.

5           THE COURT: NOT TO ME THERE ISN'T.

6           THEY ARE ASKING A PRELIMINARY INJUNCTION AS TO TELL  
7 THESE PEOPLE TO STOP USING THEIR CEMENT PROPERTY. CORRECT?

8           MR. RAPPORT: OUR PRELIMINARY INJUNCTION WE ASKED  
9 FOR WAS SPECIFICALLY TO THE MAYFIELD PROPERTY.

10          THE COURT: IT DOESN'T AFFECT ANYBODY ELSE'S  
11 PROPERTY.

12          WOULD THEIR CASE BE DIFFERENT IF THEY HAD SPENT \$2  
13 MILLION ON PROPERTY AND BOUGHT IT BEFORE THE HARDWICK CASE?

14          MR. FLORES: I THINK IF THEY HAD PURCHASED IT PRIOR  
15 TO THE INCEPTION OF THE HARDWICK CASE, OBVIOUSLY.

16          THE COURT: OF COURSE IT WOULD HAVE BEEN  
17 SUBSTANTIALLY DIFFERENT.

18          ALL I HAVE IS THEIR CASE RIGHT NOW, AND IT STRIKES  
19 ME THAT THERE'S A VERY GOOD CASE HERE FOR A PRELIMINARY  
20 INJUNCTION BEING GRANTED, BUT I'LL HANDLE IT IN WRITING.

21          MR. ROSS MAYFIELD: WE DIDN'T GET ANY NOTICE OR  
22 NOTIFICATION UNTIL MAY THAT WE WERE ON INDIAN PROPERTY AND  
23 THAT THEY WANTED TO REGULATE US UNTIL MAY. OTHERWISE WE  
24 WOULDN'T EVEN PURCHASED OR EVEN BEEN IN THAT AREA.

25          THE COURT: I SUGGEST YOU HAVE AN ATTORNEY REALLY,

1 BECAUSE EVERYTHING YOU DO HAS TO BE PUT IN WRITING.

2 MR. ROSS MAYFIELD: OKAY.

3 THE COURT: I REALLY DO. IT STRIKES ME THAT YOU  
4 DIDN'T HAVE -- THAT YOU DIDN'T HAVE MUCH OF A PROPERTY RIGHT  
5 BEFORE. YOU HAD AT BEST A LEASEHOLD WITH AN OPTION TO BUY A  
6 SMALL PORTION OF THE PROPERTY. AND SUBSEQUENT TO THE LAND  
7 BEING INDIAN RESERVATION LAND, YOU WENT AHEAD AND BOUGHT.

8 WE NEED FROM YOU SOME FURTHER AUTHORITIES AS TO WHY  
9 YOU DON'T HAVE TO PUT UP A BOND.

10 MR. RAPPORT: THAT WOULD BE FINE, YOUR HONOR.

11 THE COURT: AND I'D LIKE SOME DETAIL AS TO THE  
12 INDIANS' FINANCES, SOME DETAILS AS TO THEIR RIGHT TO BORROW,  
13 COME UP WITH \$10,000 BOND --

14 MR. RAPPORT: WELL, I'LL GIVE YOU AN AFFIDAVIT ON  
15 THEIR FINANCES THEN AND ALSO --

16 THE COURT: -- AND WHAT THEY OWN AND WHAT RIGHT  
17 THEY HAVE TO BORROW MONEY ON IT FOR PURPOSES OF THIS  
18 LAWSUIT, THINGS OF THAT NATURE, YOU KNOW?

19 MR. RAPPORT: YES, SIR.

20 MR. BRENT MAYFIELD: CAN I ADJUST ONE SMALL THING  
21 HERE?

22 IN MARIE POLLOCK'S DEPOSITION, THEY ADVERTISED THE  
23 MORATORIUM TO LAST FOR A SIX-MONTH PERIOD, AND IN THE  
24 MORATORIUM ITSELF, IT SAYS A ONE-YEAR PERIOD.

25 THE SIX MONTHS WOULD BE UP ON THE 22ND OF THIS

1 MONTH.

2 THE COURT: I DON'T UNDERSTAND WHAT YOU'RE TALKING  
3 ABOUT.

4 MR. BRENT MAYFIELD: IN THE ADVERTISEMENT, IN THE  
5 PAPER WHERE THEY ADVERTISED THE MORATORIUM ITSELF, THEY SAID  
6 THAT THE MORATORIUM WOULD BE SIX MONTHS --

7 THE COURT: THE MORATORIUM IS A DIFFERENT THING  
8 ENTIRELY. THE MORATORIUM --

9 MR. RAPPORT: WELL, YOUR HONOR, THAT'S THE  
10 ORDINANCE THAT THE TRIBE HAD ENACTED. WHEN THEY INITIALLY  
11 PUBLISHED, THEY WERE CONTEMPLATING SIX MONTHS.

12 AT THE HEARINGS WHICH WERE CONTINUED -- THEY HAD  
13 TWO HEARINGS -- THEY HAD DETERMINED AND ISSUED A ONE-YEAR  
14 MORATORIUM.

15 I DON'T SEE WHAT DIFFERENCE IT MAKES WHETHER THEY  
16 INITIALLY ADVERTISED PRIOR TO HAVING THEIR HEARING ON  
17 ADOPTING THE HEARINGS. EVERYBODY APPEARED AT THE HEARINGS,  
18 AND AFTER CONSIDERABLE DISCUSSION, A NUMBER OF CHANGES WERE  
19 MADE IN THE ORDINANCE, WHICH IS THE PURPOSE OF THE HEARINGS.

20 AND THE END RESULT IS THEY ENACTED AN ORDINANCE,  
21 WHICH IS THE ONE THAT'S BEFORE YOU TODAY.

22 THE COURT: I DON'T THINK THAT HAS MUCH EFFECT ON  
23 THE CASE AT ALL. I THINK IT REALLY -- IT SEEMS TO ME IT'S  
24 INDIAN RESERVATION LAND AFTER THE HARDWICK JUDGMENT.

25 THEY HAVE CERTAIN RIGHTS -- NOT MANY -- TO GOVERN

1       NON-INDIAN PEOPLE THAT ARE ON THE RESERVATION THAT OWN THE  
2       LAND. BUT THEY HAVE A BALANCING TEST. IF YOU READ THE  
3       UNITED STATES SUPREME COURT CASE OF MONTANA, THE NINTH  
4       CIRCUIT CASE FOLLOWING, THE BALANCE IS RIGHT. BUT IT SEEMS  
5       TO ME THAT WITH WHAT I HAVE, THEY PREVAIL.

6           I APPRECIATE THERE SHOULD BE A TRIAL ON THAT ISSUE  
7       AS TO WHAT EQUITY RIGHTS YOU HAVE. I SUGGEST YOU GET A  
8       LAWYER.

9           HE'S NOT YOUR LAWYER. HE ONLY REPRESENTS THE  
10      COUNTY.

11          MR. BRENT MAYFIELD: OUR LAWYER WAS UNABLE TO BE  
12      HERE TODAY, YOUR HONOR. HE WAS IN ANOTHER COURT.

13          THE COURT: OH. WELL, BETTER SEND SOMEBODY ELSE  
14      THEN. HE HAS TO FILE SOME REAL DOCUMENTS AS TO WHAT HE  
15      CLAIMS WHAT FACTORS OF YOURS I SHOULD BALANCE. AND I DON'T  
16      THINK I CAN BALANCE THE FACT THAT YOU DIDN'T KNOW. OKAY?  
17      EXACTLY WHAT PROPERTY RIGHTS YOU HAD BEFORE, WHAT IT WENT  
18      TO, HOW MANY ACRES.

19          MY REMEMBRANCE OF THE FACTS ARE THAT YOU HAD A  
20      LEASEHOLD TO BUY -- YOU HAD A LEASEHOLD. YOU HAD AN OPTION  
21      TO BUY TWO OF THE ACRES I THINK; ISN'T THAT RIGHT?

22          MR. BRENT MAYFIELD: THAT WAS THE ORIGINAL, BUT IT  
23      HAD BEEN MODIFIED.

24          THE COURT: I UNDERSTAND THAT.

25          BUT HOW WAS IT AS OF THE DATE OF THE HARDWICK CASE?

1 MR. ROSS MAYFIELD: IN '83 WE WENT TO THE SIX  
2 ACRES.

3 THE COURT: BUT I MEAN --

4 MR. ROSS MAYFIELD: SIX POINT SOME ODD ACRES, YOUR  
5 HONOR.

6 MR. RAPPORT: I DON'T UNDERSTAND WHY THEY SUBMITTED  
7 A LEASE THAT WAS ENTERED IN '82. IT WAS THE ONLY LEASE THEY  
8 SUBMITTED TO THE COURT WITH THEIR AFFIDAVITS --

9 THE COURT: THE ONLY LEASE THAT YOU HAVE IS THE ONE  
10 THAT I'VE SEEN, AND IT SEEMS TO GO WITH TWO ACRES.

11 I SUGGEST YOU FILE IT WITHIN ONE WEEK, AND I'LL  
12 SUBMIT THE MATTER AND GIVE YOU AN OPINION ON IT.

13 I SUBMIT THAT THE TRIAL COULD BE ONLY ON THIS  
14 ISSUE, ON THE BALANCING TEST.

15 MR. RAPPORT: IN THAT CASE, YOUR HONOR, IT MAY BE  
16 POSSIBLE TO DO IT BY SUMMARY JUDGMENT.

17 THE COURT: PERHAPS IT MAY BE.

18 MR. RAPPORT: YEAH.

19 THE COURT: OKAY?

20 MR. RAPPORT: WE ALSO HAVE A STATUS CONFERENCE I  
21 THINK FOR THE 9TH -- FOR DECEMBER 15TH.

22 THE COURT: I'LL TAKE THAT OFF.

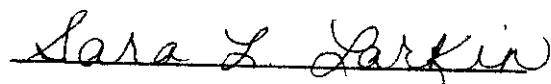
23 MR. FLORES: THANK YOU, YOUR HONOR.

24 THE COURT: ALL RIGHT. THANK YOU. IT WILL BE OUT  
25 WITHIN THE NEXT TWO OR THREE WEEKS. OKAY?

1 (PROCEEDINGS ADJOURNED AT 11:17 A.M.)  
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CERTIFICATE OF REPORTER

I, SARA L. LARKIN, OFFICIAL REPORTER FOR THE UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA, 450 GOLDEN GATE AVENUE, SAN FRANCISCO, CALIFORNIA 94102, DO HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT, PAGES NUMBERED 1 THROUGH 26, INCLUSIVE, CONSTITUTES A TRUE, FULL AND CORRECT TRANSCRIPT OF MY SHORTHAND NOTES TAKEN AS SUCH OFFICIAL REPORTER OF THE PROCEEDINGS HEREINBEFORE ENTITLED, AND REDUCED TO TYPEWRITING TO THE BEST OF MY ABILITY.



SARA L. LARKIN, CSR, CP, CM